

Message Text

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PAGE 01 GENEVA 10978 01 OF 02 171737Z

ACTION EB-08

INFO OCT-01 IO-14 ISO-00 AF-10 ARA-14 EA-12 EUR-12
NEA-10 OIC-02 AGRE-00 CEA-01 CIAE-00 COME-00
DODE-00 FRB-01 H-02 INR-10 INT-05 L-03 LAB-04
NSAE-00 NSC-05 PA-02 CTME-00 AID-05 SS-15 STR-07
ITC-01 TRSE-00 ICA-20 SP-02 SOE-02 OMB-01 DOE-15
STRE-00 /184 W

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FM USMISSION GENEVA

TO AMEMBASSY BONN IMMEDIATE

INFO SECSTATE WASHDC PRIORITY 2180

UNCLAS SECTION 01 OF 02 GENEVA 10978

USMTN

BONN PASS AMBASSADORS MCDONALD, WOLFF

STR PASS ELECTRONICALLY

STR PASS CODEL

PASS USICA

E.O. 11652: N/A

TAGS: ETRD, GATT, MTN

SUBJECT: TOKYO ROUND: PRESS COVERAGE OF JULY 15

1. WEEKEND AND MONDAY MORNING PRESS COVERAGE OF LAST WEEK'S TOKYO ROUND EVENTS WAS FAIRLY EXTENSIVE. ARTICLES NOTED THAT PROGRESS WAS MADE BUT IN GENERAL EMPHASIZED LACK OF AGREEMENT ON KEY ISSUES. FOLLOWING ARE SUMMARY EXCERPTS.

2. LE FIGARO, JULY 15-16 SAID THAT "IMPORTANT PROGRESS WAS CERTAINLY ACHIEVED IN THE FINAL DAYS ON SPECIFIC QUESTIONS BUT THE GREAT DIFFERENCES CONTINUED.... ONE NOTES

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PAGE 02 GENEVA 10978 01 OF 02 171737Z

ON THE ONE HAND THE VAGUENESS OF THE TERMINOLOGY - CONCERNING AGRICULTURE FOR EXAMPLE - AND ON THE OTHER HAND FORMAL RESERVATIONS BY CERTAIN COUNTRIES AND DEMONSTRATED RETICENCE BY OTHERS." THE ARTICLE DEVOTED A PARAGRAPH TO FRENCH VIEWS STATING "FRANCE MADE A POINT OF NOTING THAT IN ITS OPINION COMMISSION NEGOTIATORS HAD ACCEPTED TOO OPTIMISTIC A VIEW ON THE STATE OF WORK BY MINIMIZING ANY

REMAINING DIFFICULTIES. IT WAS A WAY OF SAYING THAT VICE PRESIDENT HAFERKAMP HAD TOO EASILY ACCEPTED AMERICAN IDEAS." THE ARTICLE STATED THAT THE CHIEFS OF STATE IN BONN WERE EXPECTED TO GIVE A NEW PUSH TO THE NEGOTIATIONS AND CONCLUDED BY NOTING LDC DISCONTENT WITH THE FRAMEWORK DOCUMENT.

3. LE MONDE, JULY 15 PAGE 1 EDITORIAL DESPITE NEGATIVE TITLE, "NO TRADE AGREEMENT IN GENEVA," WAS OVERALL POSITIVE. LEAD SAID "TOKYO ROUND NEGOTIATORS WERE UNABLE TO REACH AGREEMENT ON THE SCHEDULED DATE AND THUS THE NEGOTIATIONS WILL CONTINUE UNTIL THE END OF THE YEAR. THE INABILITY OF THE INDUSTRIALIZED NATIONS TO RESPECT THE JULY 15 DATE SHOULD NOT BE ALLOWED TO HIDE PROGRESS ACCOMPLISHED DURING THIS SESSION.... THE FRAMEWORK AGREEMENT DEMONSTRATES THE DESIRE OF GOVERNMENTS TO FIGHT AGAINST PROTECTIONIST PRESSURES.... THE POLITICAL WILL DEMONSTRATED BY THE UNITED STATES AND EUROPE TO CONTINUE TRADE LIBERALIZATION IN THE 1980'S REGARDLESS OF THE DIFFICULTIES IS NOT INSIGNIFICANT. STR STRAUSS EXPRESSED IT WELL: 'WE'RE CONDEMNED TO SUCCEED AND I CAN ASSERT THAT PRESIDENT CARTER IS READY TO ACCEPT POLITICAL BLOWS TO RESIST PROTECTIONIST PRESSURES.'.... ACCEPTANCE OF GREATER COLLECTIVE DISCIPLINE UNDER THE SURVEILLANCE OF NEW DISPUTE SETTLEMENT INSTITUTIONS, RECOGNITION OF THE NEED TO PROVIDE DEVELOPING COUNTRIES WITH DIFFERENTIAL

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PAGE 03 GENEVA 10978 01 OF 02 171737Z

TREATMENT, AN AGREEMENT ON CUSTOMS VALUATION ARE POSITIVE POINTS. ON THE OTHER HAND, ON THE MOST IMPORTANT QUESTIONS IN THE NEGOTIATIONS, TARIFF REDUCTIONS, SUBSIDIES/ COUNTERVAIL, SAFEGUARD CLAUSE AND AGRICULTURE, WE ARE FAR FROM HAVING OBTAINED CONCRETE RESULTS." THE ARTICLE CONCLUDED BY POINTING THE FINGER AT JAPAN AND SAID THAT "IN THIS GREAT NEGOTIATION THE ONES WHO WILL RECEIVE A LOT ARE THOSE WHO WILL GIVE A LOT."

4. AGEFI, MONDAY CARRIED AN ARTICLE ENTITLED "TOKYO ROUND COULD END BY THE END OF THIS YEAR ACCORDING TO LONG." THE ARTICLE CONTAINED QUOTES FROM LONG'S PRESS RELEASE AND FROM AMBASSADOR STRAUSS' PRESS CONFERENCE ABOUT TOKYO ROUND TIMING CAST IN A POSITIVE TONE. THE PAPER ALSO CARRIED A DESCRIPTION OF THE TOMIC PRESS RELEASE.

5. WEEKEND JOURNAL DE GENEVE HAD SIMILAR ARTICLE ENTITLED "TOKYO ROUND: HOPE TO FINISH BY END OF YEAR ACCORDING TO GATT DIRECTOR." ARTICLE ALSO CONTAINED SWISS WIRE SERVICE REPORT ON TOMIC PRESS CONFERENCE.

6. LES ECHOS, JULY 17, IN ARTICLE ENTITLED "GATT: WAITING FOR POLITICAL PUSH," LEAD SAID "FUTURE OF TOKYO ROUND - AND THAT OF WORLD TRADE FOR NEXT DECADE - IS NOW IN THE HANDS OF THE SEVEN HEADS OF STATE IN BONN." THE ARTICLE CONTINUED THAT THE FRAMEWORK AGREEMENT "HAS LITTLE TO DO WITH THE GLOBAL POLITICAL ACCORD INITIALLY EXPECTED, ESPECIALLY BY THE AMERICANS, FOR JULY 15.... THE 'SUBSTANTIAL PROGRESS' WELCOMED BY THE HEADS OF DELEGATION (MR. STRAUSS FOR THE UNITED STATES, MR. HAFERKAMP FOR THE COMMUNITY, AND EVEN MR. USHIBA FOR JAPAN) ARE NOT HOWEVER SIMPLY A FACADE. THE NEGOTIATION HAS PROGRESSED POSITIVELY ON A CERTAIN NUMBER OF PRECISE ISSUES." THE ARTICLE CONCLUDED BY STATING "DECIDEDLY, 'THE POLITICAL

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PAGE 01 GENEVA 10978 02 OF 02 171742Z
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UNCLAS SECTION 02 OF 02 GENEVA 10978

USMTN

BONN PASS AMB MCDONALD, WOLFF

STR PASS ELECTRONICALLY; STR PASS CODEL

PUSH' HOPED FOR FROM BONN WILL HELP BRING ABOUT THE
SPEEDY HAPPY CONCLUSION OF A VERY DELICATE NEGOTIATION.

7. FINANCIAL TIMES EDITORIAL JULY 17 TITLED "TOKYO
ROUND ON TARGET" PROVIDES EXTREMELY POSITIVE ASSESSMENT
OF CURRENT SITUATION. ARTICLE STATED "BY THE END OF THE
WEEK, MR. ROBERT STRAUSS, PRESIDENT CARTER'S SPECIAL
TRADE REPRESENTATIVE, FELT ABLE TO CLAIM THAT THE BACK OF

THE LATEST ROUND OF MULTILATERAL TRADE TALKS HAD BEEN 'TOTALLY BROKEN'.... A STATEMENT AGREED BY ALL THE COUNTRIES REPRESENTED IN BONN EXPRESSED CONFIDENCE THAT THE NECESSARY POLITICAL ELEMENTS HAD FINALLY BEEN ASSEMBLED TO ALLOW THE TECHNICAL DETAILS OF A MAJOR TRADE REFORM PACKAGE TO BE COMPLETED BY THE END OF THE YEAR." AFTER MENTIONING THAT "A NUMBER OF SERIOUS DIFFICULTIES REMAIN UNCLASSIFIED

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PAGE 02 GENEVA 10978 02 OF 02 171742Z

TO BE RESOLVED," EDITORIAL CONTINUED, "THERE CAN BE NO DENYING THAT REAL PROGRESS HAS BEEN ACHIEVED. THE US AND THE EEC HAVE NOT SOLVED ALL THEIR DIFFERENCES OVER AGRICULTURE - AN ESSENTIAL ELEMENT OF THE FINAL PACKAGE IF IT IS TO BE APPROVED BY THE US CONGRESS. BUT THEY HAVE GOT FURTHER THAN MIGHT HAVE BEEN EXPECTED ONLY A FEW WEEKS AGO." CONCLUDING SENTENCE WAS "IT IS IMPORTANT THAT THE YEAR-END DEADLINE BE MET - NOT ONLY AS A DEMONSTRATION THAT GOVERNMENTS WILL RESIST PROTECTIONISM, BUT EQUALLY BECAUSE THE WORLD'S TRADING SYSTEM URGENTLY NEEDS TO BE ADAPTED TO THE NEW ECONOMIC CIRCUMSTANCES OF THE 1980'S.

8. FIVE-COLUMN PIECE JULY 17 IN THE TIMES OF LONDON TITLED "TOKYO ROUND GOES INTO EXTRA TIME" IS DEVOTED LARGELY TO AREAS OF CONTINUING DIFFERENCE. AUTHOR MELVIN WESTLAKE CONCLUDED BY SAYING "SO HOW MUCH HAS BEEN ACHIEVED AFTER FIVE YEARS OF BARGAINING? CODES ARE NEARLY COMPLETE IN AREAS LIKE CUSTOMS VALUATION, TECHNICAL REGULATIONS AND STANDARDS, GOVERNMENT PURCHASING POLICIES AND RESTRICTIVE LICENSING. INDEED, CLAIMS HAVE BEEN MADE SUGGESTING THAT THE NEGOTIATIONS ARE 85 PER CENT OF THE WAY TOWARDS COMPLETION. BUT IT WAS ALWAYS CLEAR THAT IT WAS THE LAST 15 PER CENT THAT WOULD PRESENT THE BIGGEST HURDLE. THE MESSAGE LAST WEEK WAS 'WE CAN STILL DO IT, BUT WE NEED A LITTLE MORE TIME.' THE SELF-IMPOSED DEADLINE OF JULY 15 WAS NOT MET, BUT A VERY MUCH MORE REAL DEADLINE REMAINS. THAT IS THE ONE IMPOSED BY THE UNITED STATES CONGRESS. THIS MAKES THE END OF THE YEAR THE FINAL EFFECTIVE DATE FOR COMPLETING THE BARGAINING. THE NEGOTIATORS REALLY HAVE ONLY A FEW WEEKS IN THE AUTUMN AND THE EARLY WINTER. THEN IT WILL BE ALL OR NOTHING."

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PAGE 03 GENEVA 10978 02 OF 02 171742Z

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Message Attributes

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